

§ 68.7

definition in part 67 upon compliance with all applicable requirements.

[CGD 80-107, 47 FR 27494, June 24, 1982, as amended at 47 FR 35488, Aug. 16, 1982; CGD 95-028, 62 FR 51203, Sept. 30, 1997. Redesignated by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

§ 68.7 Qualification as an 883-1 corporation.

(a) To be formally qualified as an 883-1 corporation for all purposes under the Act, a corporation which meets the requirements of § 68.5 must file with the Director, National Vessel Documentation Center a certificate under oath as described in appendix A.

(b) Upon the filing of the certificate required under paragraph (a) of this section, the Director, National Vessel Documentation Center will furnish the corporation a Certificate of Compliance which is valid for a period of 3 years from the date of its issuance, unless there is a change in corporate status requiring a report under § 68.11(a). On or before the date of expiration of the Certificate of Compliance, a new certificate under oath as described in appendix A of this subpart must be filed with the Director, National Vessel Documentation Center.

(Approved by the Office of Management and Budget under control number 1625-0027)

[GCD 89-007; GCD 89-007a, 58 FR 60266, Nov. 15, 1993, 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995; USCG-1999-6216, 64 FR 53225, Oct. 1, 1999; USCG-2002-13058, 67 FR 61279, Sept. 30, 2002; USCG-2006-25697, 71 FR 55746, Sept. 25, 2006. Redesignated and amended by USCG-2005-20258, 71 FR 61418, 61419, Oct. 18, 2006]

§ 68.9 Qualification as a parent or subsidiary.

(a) To be formally qualified as a parent corporation, as defined in § 68.3, a corporation must file with the Director, National Vessel Documentation Center a certificate under oath as described in appendix B of this subpart.

(b) To be formally qualified as subsidiary corporation as defined in § 68.3, a corporation must file with the Director, National Vessel Documentation Center a certificate under oath as described in appendix B of this subpart.

(c) Upon the filing of the certificate required under paragraph (a) or (b) of this section, the Director, National

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Vessel Documentation Center will furnish the corporation a certificate of parent or subsidiary status which is valid for a period of 3 years from the date of its issuance unless there is a change in corporate status requiring a report under § 68.11(a). On or before the date of expiration of the certificate of parent or subsidiary status, a new certificate under oath as described in appendix B of this subpart must be filed with the Director, National Vessel Documentation Center.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995; USCG-1999-6216, 64 FR 53225, Oct. 1, 1999; USCG-2002-13058, 67 FR 61279, Sept. 30, 2002. Redesignated and amended by USCG-2005-20258, 71 FR 61418, 61419, Oct. 18, 2006]

§ 68.11 Cessation of qualification.

(a) If after filing the certificate required by § 68.7, a change occurs whereby an 883-1 corporation no longer meets the criteria in § 68.5(a), that corporation's qualification for the privileges enumerated in §§ 68.13 and 68.15 is terminated effective as of the date and time of the change. The corporation must report the change in writing to the Director, National Vessel Documentation Center.

(b) If, after filing the certificate required by § 68.9, a change occurs whereby the corporation is no longer entitled to be deemed a parent or subsidiary corporation, that corporation's qualification for the privileges in §§ 68.13 and 68.15 is terminated effective as of the date and time of the change. The corporation must report such change in writing to the Director, National Vessel Documentation Center.

[CGD 89-007, CGD 89-007a, 58 FR 60266, Nov. 15, 1993; 58 FR 65131, Dec. 13, 1993, as amended by CGD 95-014, 60 FR 31605, June 15, 1995; USCG-1999-6216, 64 FR 53225, Oct. 1, 1999. Redesignated and amended by USCG-2005-20258, 71 FR 61418, 61419, Oct. 18, 2006]

§ 68.13 Privileges conferred—documentation of vessel.

The special citizenship status created by the Act entitles the 883-1 corporation to document certain vessels for certain limited purposes:

(a) An 883-1 corporation may document under the Act only vessels which

are qualified for employment in the coastwise trade and which are either non-self propelled or, if self-propelled, are of less than 500 gross tons.

(b) A vessel owned by an 883-1 corporation and meeting the criteria in paragraph (a) of this section may be documented only for use in the coastwise trade subject to the restrictions in § 68.17.

(c) Section 68.19 contains details concerning the documentation of vessels by an 883-1 corporation.

[CGD 80-107, 47 FR 27511, June 24, 1982. Redesignated and amended by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

§ 68.15 Privileges conferred—operation of vessels.

(a) The special citizenship status created by the Act entitles the 883-1 corporation to operate, subject to the restrictions in § 68.17, vessels which are qualified to engage in the coastwise trade and are exempt from documentation. (See § 67.9 for classes of exempt vessels.)

(b) Vessels, documented or exempt from documentation, employed subject to the Act may carry passengers and merchandise of the 883-1 corporation owning such vessels only between points in the United States, including territories, districts, and possessions thereof embraced in the coastwise laws.

(c) The special citizenship status created by the Act entitles an 883-1 corporation owning vessels as described in paragraphs (a) and (b) of this section to transport merchandise or passengers for hire in the coastwise trade as a service for a duly qualified parent or subsidiary corporation as defined in § 68.3.

(d) The special citizenship status created by the Act entitles an 883-1 corporation owning vessels as described in paragraphs (a) and (b) of this section to demise or bareboat charter such vessels to common or contract carriers subject to the restrictions in § 68.17(c).

[CGD 80-107, 47 FR 27511, June 24, 1982, as amended by USCG-2002-13058, 67 FR 61279, Sept. 30, 2002. Redesignated and amended by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

§ 68.17 Restrictions.

(a) Vessels employed subject to the Act are entitled to operation only in the coastwise trade and only to the extent described in paragraphs (b) and/or (c) of this section.

(b) A vessel owned by an 883-1 corporation may engage in coastwise transportation for hire as a service to a parent or subsidiary corporation as defined in § 68.3. Such transportation for hire must be between points of the United States, including territories, districts, and possessions thereof embraced in the coastwise laws.

(c) A vessel owned by an 883-1 corporation may be operated under demise or bareboat charter to a common or a contract carrier subject to 49 U.S.C. Chapter 101 if the corporation is a U.S. citizen as defined in 46 U.S.C. App. 802.

(1) Such common or contract carrier may not be connected either directly or indirectly by ownership or control with the 883-1 corporation.

(2) The demise or bareboat charter must be at prevailing rates.

(3) The vessels under a demise or bareboat charter may not be used in non-contiguous trade.

[CGD 80-107, 47 FR 27511, June 24, 1982, as amended by CGD 95-028, 62 FR 51203, Sept. 30, 1997. Redesignated and amended by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]

§ 68.19 Application by an 883-1 corporation to document a vessel.

(a) An application by an 883-1 corporation to document a vessel must comply with the applicable requirements in subparts A, D, E, F, G, H, I, K, and L of part 67 of this chapter.

(b) An application by an 883-1 corporation to document a vessel must include a copy of the Certificate of Compliance issued under § 68.7.

[CGD 95-014, 60 FR 31606, June 15, 1995. Redesignated and amended by USCG-2005-20258, 71 FR 61418, Oct. 18, 2006]